

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

March 19, 2007

TO: Honorable Joe Deshotel, Chair, House Committee on Economic Development

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB2185 by Woolley (relating to liability for the refund of certain unemployment compensation benefits to the Texas Workforce Commission.), **Committee Report 1st House, Substituted**

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would amend the Labor Code relating to liability for the refund of certain unemployment compensation benefits to the Texas Workforce Commission (TWC). The agency estimates a savings to the Unemployment Insurance Trust Fund of approximately \$1.1 million in each fiscal year 2008 and 2009; \$1.2 million in fiscal year 2010; and \$1.3 million in each fiscal year 2011 and 2012, totaling \$6.1 million over a five year period due to an estimated decrease of 1,480 for the number of claims initially payable and later reversed at appeal. This trust fund is held outside the state Treasury so there is no fiscal impact to the state. Based on the analysis of TWC, it is also assumed that any duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

This bill would take effect September 1, 2007.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 320 Texas Workforce Commission

LBB Staff: JOB, JRO, MW, NV